

THE REVISED SCHOOL CODE (EXCERPT)
Act 451 of 1976

PART 6A
PUBLIC SCHOOL ACADEMIES

380.501 Public school academy; scope; powers; definitions.

Sec. 501. (1) A public school academy is a public school under section 2 of article VIII of the state constitution of 1963, is a school district for the purposes of section 11 of article IX of the state constitution of 1963 and for the purposes of section 1225 and section 1351a, and is subject to the leadership and general supervision of the state board over all public education under section 3 of article VIII of the state constitution of 1963. A public school academy is a body corporate and is a governmental agency. The powers granted to a public school academy under this part constitute the performance of essential public purposes and governmental functions of this state.

(2) As used in this part:

(a) "Authorizing body" means any of the following that issues a contract as provided in this part:

(i) The board of a school district that operates grades K to 12.

(ii) An intermediate school board.

(iii) The board of a community college.

(iv) The governing board of a state public university.

(b) "Certificated teacher" means an individual who holds a valid teaching certificate issued by the superintendent of public instruction under section 1531.

(c) "Community college" means a community college organized under the community college act of 1966, 1966 PA 331, MCL 389.1 to 389.195, or a federal tribally controlled community college that is recognized under the tribally controlled community college assistance act of 1978, Public Law 95-471, 92 Stat. 1325, and is determined by the department to meet the requirements for accreditation by a recognized regional accrediting body.

(d) "Contract" means the executive act taken by an authorizing body that evidences the authorization of a public school academy and that establishes, subject to the constitutional powers of the state board and applicable law, the written instrument executed by an authorizing body conferring certain rights, franchises, privileges, and obligations on a public school academy, as provided by this part, and confirming the status of a public school academy as a public school in this state.

(e) "Entity" means a partnership, nonprofit or business corporation, labor organization, or any other association, corporation, trust, or other legal entity.

(f) "State public university" means a state university described in section 4, 5, or 6 of article VIII of the state constitution of 1963.

History: Add. 1993, Act 362, Imd. Eff. Jan. 14, 1994;—Am. 1994, Act 416, Eff. Mar. 30, 1995;—Am. 1995, Act 289, Eff. July 1, 1996;—Am. 2003, Act 179, Imd. Eff. Oct. 3, 2003.

Compiler's note: Former MCL 380.501, which pertained to public school academy, scope, and definitions, was repealed by Act 362 of 1993, Imd. Eff. Jan. 14, 1994.

Senate Bill 393 (SB 393) was enrolled on August 13, 2003, and presented to the governor for her approval on September 8, 2003, at 5:00 p.m. On September 18, 2003, the senate requested that the bill be returned to the senate. The governor granted the senate's request on that same date and returned the bill to that body (without objections), where a motion was made to vacate the enrollment and the motion prevailed. On September 23, 2003, the house of representatives approved a motion to send a letter to the senate agreeing with the senate's request that the governor return SB 393. Neither the Senate Journal nor the House Journal entries reveal any other action taken by the house of representatives regarding the return of SB 393.

In order to determine whether SB 393 had become law, as requested, the attorney general examined whether SB 393 was recalled by concurrent action of the house of representatives and the senate within the 14-day period afforded the governor for vetoing a bill under the last sentence of Const 1963, art 4, § 33: "SB 393 was presented to the Governor on September 8, 2003, at 5:00 p.m. The 14-day period afforded for consideration, measured in hours and minutes, therefore expired on September 22, 2003 at 5:00 p.m. While the Senate had acted to recall the bill within that 14-day period (on September 18, 2003), the House did not. Its action concurring in the request to recall SB 393 was not taken until September 23, 2003. In the absence of concurrent action by both houses of the Legislature within the 14-day period, SB 393 was not effectively recalled and 'further legislative action thereon' was not authorized." The attorney general declared that "in the absence of a return of the bill with objections, SB 393 therefore became law by operation of the last sentence of art 4, § 33." OAG, 2003, No. 7139 (October 2, 2003).

Popular name: Act 451

Popular name: Charter Schools

Popular name: Public School Academies

380.501a Public school academy; report to legislative committees on education.

Sec. 501a. Not later than 1 year after the effective date of this section, and at least annually thereafter, the

state board shall submit a comprehensive report, with findings and recommendations, to the house and senate committees on education. The report shall evaluate public school academies generally, including, but not limited to, an evaluation of whether public school academies are fulfilling the purposes specified in section 511(1). The report also shall contain, for each public school academy, a copy of the academy's mission statement, attendance statistics and dropout rate, aggregate assessment test scores, projections of financial stability, and number of and comments on supervisory visits by the authorizing body.

History: Add. 1995, Act 289, Eff. July 1, 1996.

Popular name: Act 451

Popular name: Charter Schools

Popular name: Public School Academies

380.502 Public school academy; organization; operation; bodies authorized to issue contract; application to obtain contract; contents; oversight; suspension of powers; fees; presumption of legality.

Sec. 502. (1) A public school academy shall be organized and administered under the direction of a board of directors in accordance with this part and with bylaws adopted by the board of directors. A public school academy corporation shall be organized under the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to 450.3192, except that a public school academy corporation is not required to comply with sections 170 to 177 of 1931 PA 327, MCL 450.170 to 450.177. To the extent disqualified under the state or federal constitution, a public school academy shall not be organized by a church or other religious organization and shall not have any organizational or contractual affiliation with or constitute a church or other religious organization.

(2) Any of the following may act as an authorizing body to issue a contract to organize and operate 1 or more public school academies under this part:

(a) The board of a school district that operates grades K to 12. However, the board of a school district shall not issue a contract for a public school academy to operate outside the school district's boundaries, and a public school academy authorized by the board of a school district shall not operate outside that school district's boundaries.

(b) An intermediate school board. However, the board of an intermediate school district shall not issue a contract for a public school academy to operate outside the intermediate school district's boundaries, and a public school academy authorized by the board of an intermediate school district shall not operate outside that intermediate school district's boundaries.

(c) The board of a community college. However, except as otherwise provided in this subdivision, the board of a community college shall not issue a contract for a public school academy to operate in a school district organized as a school district of the first class, a public school academy authorized by the board of a community college shall not operate in a school district organized as a school district of the first class, the board of a community college shall not issue a contract for a public school academy to operate outside the boundaries of the community college district, and a public school academy authorized by the board of a community college shall not operate outside the boundaries of the community college district. The board of a community college also may issue a contract for not more than 1 public school academy to operate on the grounds of an active or closed federal military installation located outside the boundaries of the community college district, or may operate a public school academy itself on the grounds of such a federal military installation, if the federal military installation is not located within the boundaries of any community college district and the community college has previously offered courses on the grounds of the federal military installation for at least 10 years.

(d) The governing board of a state public university. However, the combined total number of contracts for public school academies issued by all state public universities shall not exceed 150. Further, the total number of contracts issued by any 1 state public university shall not exceed 50% of the maximum combined total number that may be issued under this subdivision.

(3) To obtain a contract to organize and operate 1 or more public school academies, 1 or more persons or an entity may apply to an authorizing body described in subsection (2). The application shall include at least all of the following:

(a) Identification of the applicant for the contract.

(b) Subject to the resolution adopted by the authorizing body under section 503(4), a list of the proposed members of the board of directors of the public school academy and a description of the qualifications and method for appointment or election of members of the board of directors.

(c) The proposed articles of incorporation, which shall include at least all of the following:

(i) The name of the proposed public school academy.

(ii) The purposes for the public school academy corporation. This language shall provide that the public school academy is incorporated pursuant to this part and that the public school academy corporation is a governmental entity.

(iii) The name of the authorizing body.

(iv) The proposed time when the articles of incorporation will be effective.

(v) Other matters considered expedient to be in the articles of incorporation.

(d) A copy of the proposed bylaws of the public school academy.

(e) Documentation meeting the application requirements of the authorizing body, including at least all of the following:

(i) The governance structure of the public school academy.

(ii) A copy of the educational goals of the public school academy and the curricula to be offered and methods of pupil assessment to be used by the public school academy. To the extent applicable, the progress of the pupils in the public school academy shall be assessed using at least a Michigan education assessment program (MEAP) test or the Michigan merit examination, as applicable.

(iii) The admission policy and criteria to be maintained by the public school academy. The admission policy and criteria shall comply with section 504. This part of the application also shall include a description of how the applicant will provide to the general public adequate notice that a public school academy is being created and adequate information on the admission policy, criteria, and process.

(iv) The school calendar and school day schedule.

(v) The age or grade range of pupils to be enrolled.

(f) Descriptions of staff responsibilities and of the public school academy's governance structure.

(g) For an application to the board of a school district, an intermediate school board, or board of a community college, identification of the local and intermediate school districts in which the public school academy will be located.

(h) An agreement that the public school academy will comply with the provisions of this part and, subject to the provisions of this part, with all other state law applicable to public bodies and with federal law applicable to public bodies or school districts.

(i) For a public school academy authorized by a school district, an assurance that employees of the public school academy will be covered by the collective bargaining agreements that apply to other employees of the school district employed in similar classifications in schools that are not public school academies.

(j) A description of and address for the proposed physical plant in which the public school academy will be located.

(4) An authorizing body shall oversee, or shall contract with an intermediate school district, community college, or state public university to oversee, each public school academy operating under a contract issued by the authorizing body. The oversight shall be sufficient to ensure that the authorizing body can certify that the public school academy is in compliance with statute, rules, and the terms of the contract.

(5) If the superintendent of public instruction finds that an authorizing body is not engaging in appropriate continuing oversight of 1 or more public school academies operating under a contract issued by the authorizing body, the superintendent of public instruction may suspend the power of the authorizing body to issue new contracts to organize and operate public school academies. A contract issued by the authorizing body during the suspension is void. A contract issued by the authorizing body before the suspension is not affected by the suspension.

(6) An authorizing body shall not charge a fee, or require reimbursement of expenses, for considering an application for a contract, for issuing a contract, or for providing oversight of a contract for a public school academy in an amount that exceeds a combined total of 3% of the total state school aid received by the public school academy in the school year in which the fees or expenses are charged. An authorizing body may provide other services for a public school academy and charge a fee for those services, but shall not require such an arrangement as a condition to issuing the contract authorizing the public school academy.

(7) A public school academy shall be presumed to be legally organized if it has exercised the franchises and privileges of a public school academy for at least 2 years.

History: Add. 1993, Act 362, Imd. Eff. Jan. 14, 1994;—Am. 1994, Act 416, Eff. Mar. 30, 1995;—Am. 1995, Act 289, Eff. July 1, 1996;—Am. 2009, Act 205, Imd. Eff. Jan. 4, 2010.

Compiler's note: Former MCL 380.502, which pertained to public school academy, organization, and operation, was repealed by Act 362 of 1993, Imd. Eff. Jan. 14, 1994.

Popular name: Act 451

Popular name: Charter Schools

Popular name: Public School Academies

380.502a Conversion of public school academy to school of excellence; resolution of board of directors; conditions.

Sec. 502a. If a public school academy operating under this part meets the requirements of part 6e, with the approval of its authorizing body, the board of directors of the public school academy may adopt a resolution choosing to convert the public school academy to a school of excellence under part 6e. If a board of directors of a public school academy that meets the requirements of part 6e is issued a contract to operate as a school of excellence under part 6e, all of the following apply:

(a) The public school academy shall cease to operate as a public school academy under this part and shall operate as a school of excellence under part 6e upon the issuance of the contract under part 6e or at another time as determined by the authorizing body.

(b) The public school academy shall be considered to be a school of excellence for all purposes upon the issuance of the contract under part 6e or at another time as determined by the authorizing body, but shall retain its corporate identity.

(c) The conversion of a public school academy to a school of excellence operating under part 6e shall not impair any agreement, mortgage, loan, bond, note or other instrument of indebtedness, or any other agreement entered into by a public school academy while it was operating under this part.

(d) The contract issued to the public school academy under this part shall automatically terminate upon the issuance of a contract under part 6e or at another time as determined by the authorizing body.

(e) If the authorizing body of the public school academy is the governing board of a state university, then all of the following apply to issuance of a new contract for a public school academy under this part after the conversion:

(i) For a period of 12 months after the contract is issued under part 6e, that authorizing body is the only authorizing body that may issue a new contract for a new public school academy to fill the availability under section 502(d) that is created by the conversion of the public school academy to a school of excellence.

(ii) If the board of directors of the public school academy that is issued a contract to fill the availability under section 502(d) that is created by the conversion chooses to enter into an agreement with an educational management organization to manage or operate the public school academy, the board of directors may give preference to an educational management organization that has previously operated a school that met the criteria described in section 552(4).

(iii) At the time the contract is issued, the public school academy shall not be located in a school district that has a graduation rate of over 75.5%, on average, for the most recent 3 school years for which the data are available, as determined by the department.

History: Add. 2009, Act 205, Imd. Eff. Jan. 4, 2010.

Popular name: Act 451

380.503 Public school academy; issuance of contract; petition to place question on ballot; submission; resolution; contents of contract; compliance with applicable laws; governmental immunity; exemption from taxation; acquisition of property.

Sec. 503. (1) An authorizing body is not required to issue a contract to any person or entity. Public school academy contracts shall be issued on a competitive basis taking into consideration the resources available for the proposed public school academy, the population to be served by the proposed public school academy, the educational goals to be achieved by the proposed public school academy, and the applicant's track record, if any, in operating public school academies or other public schools. However, an authorizing body may give priority to a public school academy that is intended to replace a public school academy that has been closed pursuant to section 507(2), that will operate all of the same grade levels as the public school academy that has been closed, and that will work toward operating all of grades 9 to 12 within 6 years after it begins operations unless a matriculation agreement has been entered into with another public school that provides grades 9 to 12.

(2) If a person or entity applies to the board of a school district for a contract to organize and operate 1 or more public school academies within the boundaries of the school district and the board does not issue the contract, the person or entity may petition the board to place the question of issuing the contract on the ballot to be decided by the school electors of the school district. The petition shall contain all of the information required to be in the contract application under section 502 and shall be signed by a number of school electors of the school district equal to at least 15% of the total number of school electors of that school district. The petition shall be filed with the school district filing official. If the board receives a petition meeting the requirements of this subsection, the board shall have the question of issuing the contract placed on the ballot at its next regular school election held at least 60 days after receiving the petition. If a majority of the school

electors of the school district voting on the question vote to issue the contract, the board shall issue the contract.

(3) Within 10 days after issuing a contract for a public school academy, the authorizing body shall submit to the superintendent of public instruction a copy of the contract and of the application under section 502.

(4) An authorizing body shall adopt a resolution establishing the method of selection, length of term, and number of members of the board of directors of each public school academy subject to its jurisdiction.

(5) A contract issued to organize and administer a public school academy shall contain at least all of the following:

(a) The educational goals the public school academy is to achieve and the methods by which it will be held accountable. To the extent applicable, the pupil performance of a public school academy shall be assessed using at least a Michigan education assessment program (MEAP) test or the Michigan merit examination, as applicable. (b) A description of the method to be used to monitor the public school academy's compliance with applicable law and its performance in meeting its targeted educational objectives.

(c) A description of the process for amending the contract during the term of the contract.

(d) All of the matters set forth in the application for the contract.

(e) For a public school academy authorized by a school district, an agreement that employees of the public school academy will be covered by the collective bargaining agreements that apply to employees of the school district employed in similar classifications in schools that are not public school academies.

(f) Procedures for revoking the contract and grounds for revoking the contract, including at least the grounds listed in section 507.

(g) A description of and address for the proposed physical plant in which the public school academy will be located. At the time the contract is issued for a public school academy under section 502a, the public school academy shall not be located in a school district that has a graduation rate of over 75.5%, on average, for the most recent 3 school years for which the data are available, as determined by the department.

(h) Requirements and procedures for financial audits. The financial audits shall be conducted at least annually by a certified public accountant in accordance with generally accepted governmental auditing principles.

(i) The term of the contract and a description of the process and standards for renewal of the contract at the end of the term. The standards for renewal shall include student growth as measured by assessments and other objective criteria as a significant factor in the decision of whether or not to renew the contract.

(6) A public school academy shall comply with all applicable law, including all of the following:

(a) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(b) The freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(c) 1947 PA 336, MCL 423.201 to 423.217.

(d) 1965 PA 166, MCL 408.551 to 408.558.

(e) Sections 1134, 1135, 1146, 1153, 1263(3), 1267, and 1274.

(7) A public school academy and its incorporators, board members, officers, employees, and volunteers have governmental immunity as provided in section 7 of 1964 PA 170, MCL 691.1407. An authorizing body and its board members, officers, and employees are immune from civil liability, both personally and professionally, for an act or omission in authorizing a public school academy if the authorizing body or the person acted or reasonably believed he or she acted within the authorizing body's or the person's scope of authority.

(8) A public school academy is exempt from all taxation on its earnings and property. Instruments of conveyance to or from a public school academy are exempt from all taxation including taxes imposed by 1966 PA 134, MCL 207.501 to 207.513. A public school academy may not levy ad valorem property taxes or another tax for any purpose. However, operation of 1 or more public school academies by a school district or intermediate school district does not affect the ability of the school district or intermediate school district to levy ad valorem property taxes or another tax.

(9) A public school academy may acquire by purchase, gift, devise, lease, sublease, installment purchase agreement, land contract, option, or by any other means, hold and own in its own name buildings and other property for school purposes, and interests therein, and other real and personal property, including, but not limited to, interests in property subject to mortgages, security interests, or other liens, necessary or convenient to fulfill its purposes. For the purposes of condemnation, a public school academy may proceed under the uniform condemnation procedures act, 1980 PA 87, MCL 213.51 to 213.75, excluding sections 6 to 9 of that act, MCL 213.56 to 213.59, or other applicable statutes, but only with the express, written permission of the authorizing body in each instance of condemnation and only after just compensation has been determined and paid.

History: Add. 1993, Act 362, Imd. Eff. Jan. 14, 1994;—Am. 1994, Act 416, Eff. Mar. 30, 1995;—Am. 1995, Act 289, Eff. July 1, 1996;—Am. 2003, Act 299, Eff. Jan. 1, 2005;—Am. 2009, Act 205, Imd. Eff. Jan. 4, 2010.

Compiler's note: Former MCL 380.503, which pertained to public school academy, charter, criteria, contents, validity, and renewal, was repealed by Act 362 of 1993, Imd. Eff. Jan. 14, 1994.

Popular name: Act 451

Popular name: Charter Schools

Popular name: Public School Academies

380.503a Public school academy; power of school or intermediate school district to levy taxes; use of revenues.

Sec. 503a. If a school district or intermediate school district applies for and obtains a contract to operate 1 or more public school academies under this part, the power of the school district or intermediate school district to levy taxes for any purpose under this act is not affected by the operation of a public school academy by the school district or intermediate school district. Revenue from taxes levied by a school district or intermediate school district under this act or bonds issued by a school district or intermediate school district under this act may be used to support the operation or facilities of a public school academy operated by the school district or intermediate school district in the same manner as that revenue may be used under this act by the school district or intermediate school district to support school district or intermediate school district operations and facilities. This section does not authorize a school district or intermediate school district to levy taxes or to issue bonds for any purpose that is not otherwise authorized under this act.

History: Add. 1995, Act 289, Eff. July 1, 1996.

Popular name: Act 451

Popular name: Charter Schools

Popular name: Public School Academies

380.503b Agreement between public school academy and third party; obligation of state or authorizing party; debt.

Sec. 503b. (1) An agreement, mortgage, loan, or other instrument of indebtedness entered into by a public school academy and a third party does not constitute an obligation, either general, special, or moral, of this state or an authorizing body. The full faith and credit or the taxing power of this state or any agency of this state, or the full faith and credit of an authorizing body, may not be pledged for the payment of any public school academy bond, note, agreement, mortgage, loan, or other instrument of indebtedness.

(2) This part does not impose any liability on this state or on an authorizing body for any debt incurred by a public school academy.

History: Add. 2003, Act 179, Imd. Eff. Oct. 3, 2003.

Compiler's note: Senate Bill 393 (SB 393) was enrolled on August 13, 2003, and presented to the governor for her approval on September 8, 2003, at 5:00 p.m. On September 18, 2003, the senate requested that the bill be returned to the senate. The governor granted the senate's request on that same date and returned the bill to that body (without objections), where a motion was made to vacate the enrollment and the motion prevailed. On September 23, 2003, the house of representatives approved a motion to send a letter to the senate agreeing with the senate's request that the governor return SB 393. Neither the Senate Journal nor the House Journal entries reveal any other action taken by the house of representatives regarding the return of SB 393.

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Popular name: Act 451

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380.504 Location; operation at other than single site; discrimination prohibited; enrollment; priority; number of grades and programs offered.

Sec. 504. (1) A public school academy may be located in all or part of an existing public school building. A public school academy shall not operate at a site other than the single site requested for the configuration of grades that will use the site, as specified in the application required under section 502 and in the contract.

(2) A public school academy shall not charge tuition and shall not discriminate in its pupil admissions

policies or practices on the basis of intellectual or athletic ability, measures of achievement or aptitude, status as a student with a disability, or any other basis that would be illegal if used by a school district. However, a public school academy may limit admission to pupils who are within a particular range of age or grade level or on any other basis that would be legal if used by a school district and may give enrollment priority as provided in subsection (4).

(3) Except for a foreign exchange student who is not a United States citizen, a public school academy shall not enroll a pupil who is not a resident of this state. Enrollment in the public school academy may be open to all individuals who reside in this state who meet the admission policy and shall be open to all pupils who reside within the geographic boundaries, if any, of the authorizing body as described in section 502(2)(a) to (c) who meet the admission policy, except that admission to a public school academy authorized by the board of a community college to operate, or operated by the board of a community college, on the grounds of a federal military installation, as described in section 502(2)(c), shall be open to all pupils who reside in the county in which the federal military installation is located. For a public school academy authorized by a state public university, enrollment shall be open to all pupils who reside in this state who meet the admission policy. Subject to subsection (4), if there are more applications to enroll in the public school academy than there are spaces available, pupils shall be selected to enroll using a random selection process. A public school academy shall allow any pupil who was enrolled in the public school academy in the immediately preceding school year to enroll in the public school academy in the appropriate grade unless the appropriate grade is not offered at that public school academy.

(4) A public school academy may give enrollment priority to 1 or more of the following:

(a) A sibling of a pupil enrolled in the public school academy.

(b) A pupil who transfers to the public school academy from another public school academy pursuant to a matriculation agreement between the public school academies that provides for this enrollment priority, if all of the following requirements are met:

(i) Each public school academy that enters into the matriculation agreement remains a separate and independent public school academy.

(ii) The public school academy that gives the enrollment priority selects at least 5% of its pupils for enrollment using a random selection process.

(iii) The matriculation agreement allows any pupil who was enrolled at any time during elementary school in a public school academy that is party to the matriculation agreement and who was not expelled from the public school academy to enroll in the public school academy giving enrollment priority under the matriculation agreement.

(5) A public school academy may include any grade up to grade 12 or any configuration of those grades, including kindergarten and early childhood education, as specified in its contract. If specified in its contract, a public school academy may also operate an adult basic education program, adult high school completion program, or general education development testing preparation program. The authorizing body may approve amendment of a contract with respect to ages of pupils or grades offered.

History: Add. 1993, Act 362, Imd. Eff. Jan. 14, 1994;—Am. 1994, Act 416, Eff. Mar. 30, 1995;—Am. 2008, Act 1, Imd. Eff. Jan. 11, 2008;—Am. 2009, Act 205, Imd. Eff. Jan. 4, 2010.

Compiler's note: Former MCL 380.504, which pertained to conversion public school academy, was repealed by Act 362 of 1994, Imd. Eff. Jan. 14, 1994.

Popular name: Act 451

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380.504a Public school academy; additional powers.

Sec. 504a. In addition to other powers set forth in this part, a public school academy may take action to carry out the purposes for which it was incorporated under this part, including, but not limited to, all of the following:

(a) To sue and be sued in its name.

(b) Subject to section 503b, to acquire, hold, and own in its own name real and personal property, or interests in real or personal property, for educational purposes by purchase, gift, grant, devise, bequest, lease, sublease, installment purchase agreement, land contract, option, or condemnation, and subject to mortgages, security interests, or other liens; and to sell or convey the property as the interests of the public school academy require.

(c) To receive, disburse, and pledge funds for lawful purposes.

(d) To enter into binding legal agreements with persons or entities as necessary for the operation, management, financing, and maintenance of the public school academy.

(e) To incur temporary debt in accordance with section 1225.

(f) To solicit and accept any grants or gifts for educational purposes and to establish or permit to be established on its behalf 1 or more nonprofit corporations the purpose of which is to assist the public school academy in the furtherance of its public purposes.

(g) To borrow money and issue bonds in accordance with section 1351a and in accordance with part VI of the revised municipal finance act, 2001 PA 34, MCL 141.2601 to 141.2613, except that the borrowing of money and issuance of bonds by a public school academy is not subject to section 1351a(4) or section 1351(2) to (4). Bonds issued under this section shall be full faith and credit obligations of the public school academy, pledging the general funds or any other money available for such a purpose. Bonds issued under this section are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

History: Add. 1994, Act 416, Eff. Mar. 30, 1995;—Am. 1995, Act 289, Eff. July 1, 1996;—Am. 2003, Act 179, Imd. Eff. Oct. 3, 2003.

Compiler's note: Former MCL 380.504a, which pertained to chartered educational clinics, was repealed by Act 362 of 1993, Imd. Eff. Jan. 14, 1994.

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Popular name: Act 451

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Popular name: Public School Academies

380.504b School district subject to court desegregation order.

Sec. 504b. If a public school academy is operated by a school district that is subject to a court desegregation order, pupil selection at the public school academy is subject to that order.

History: Add. 1995, Act 289, Eff. July 1, 1996.

Popular name: Act 451

Popular name: Charter Schools

Popular name: Public School Academies

380.504c Repealed. 2008, Act 1, Eff. Dec. 31, 2008.

Compiler's note: The repealed section pertained to transfer of enrolled public school academy pupils to another public school.

380.505 Use of certificated teachers; use of noncertificated individuals by public school academy run by state public university or community college; report of new or revised teaching techniques.

Sec. 505. (1) Except as otherwise provided by law, a public school academy shall use certificated teachers according to state board rule.

(2) A public school academy operated by a state public university or community college may use noncertificated individuals to teach as follows:

(a) If the public school academy is operated by a state public university, the public school academy may use as a classroom teacher in any grade a faculty member who is employed full-time by the state public university and who has been granted institutional tenure, or has been designated as being on tenure track, by the state public university.

(b) For a public school academy operated by a community college, the public school academy may use as a classroom teacher a full-time member of the community college faculty who has at least 5 years' experience at that community college in teaching the subject matter that he or she is teaching at the public school academy.

(c) In any other situation in which a school district is permitted under this act to use noncertificated teachers.

(3) A public school academy may develop and implement new teaching techniques or methods or

significant revisions to known teaching techniques or methods, and shall report those to the authorizing body and state board to be made available to the public. A public school academy may use any instructional technique or delivery method that may be used by a school district.

History: Add. 1993, Act 362, Imd. Eff. Jan. 14, 1994;—Am. 1994, Act 416, Eff. Mar. 30, 1995.

Compiler's note: Former MCL 380.505, which pertained to public school academy, prohibition of discrimination, admission, enrollment, grades, and programs offered, was repealed by Act 362 of 1993, Imd. Eff. Jan. 14, 1994.

Popular name: Act 451

Popular name: Charter Schools

Popular name: Public School Academies

380.505a Chartered educational clinic.

Sec. 505a. The board of a school district may grant a charter to an eligible entity for a chartered educational clinic. The application requirements and procedures for such a contract for a chartered educational clinic are the same as for a contract for another public school academy. A chartered educational clinic is a specialty public school academy and shall only serve public school pupils described in this section during hours outside the pupil's normal class hours by providing special assistance for up to 3 hours per week, pursuant to a written prescription by the principal of the public school in which the pupil is regularly enrolled on recommendation of a teacher of the pupil. A public school pupil enrolled in grades K-12 who is in educational difficulty or is at risk of falling seriously behind other pupils of his or her age level, of not being advanced in grade level, or of dropping out or being expelled from school may be served by a chartered educational clinic.

History: Add. 1994, Act 416, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: Charter Schools

Popular name: Public School Academies

380.506 Personnel.

Sec. 506. A public school academy, with the approval of the authorizing body, may employ or contract with personnel as necessary for the operation of the public school academy, prescribe their duties, and fix their compensation.

History: Add. 1993, Act 362, Imd. Eff. Jan. 14, 1994.

Compiler's note: Former MCL 380.506, which pertained to compliance with statutes and rules, was repealed by Act 362 of 1993, Imd. Eff. Jan. 14, 1994.

Popular name: Act 451

Popular name: Charter Schools

Popular name: Public School Academies

380.506a Public school academy; compliance with public employees health benefit act.

Sec. 506a. If the board of directors of a public school academy provides medical, optical, or dental benefits to employees and their dependents, the board of directors shall provide those benefits in accordance with the public employees health benefit act and shall comply with that act.

History: Add. 2007, Act 107, Imd. Eff. Oct. 1, 2007.

Popular name: Act 451

380.507 Authorizing bodies; powers; revocation of contract.

Sec. 507. (1) The authorizing body for a public school academy is the fiscal agent for the public school academy. A state school aid payment for a public school academy shall be paid to the authorizing body that is the fiscal agent for that public school academy, which shall then forward the payment to the public school academy. An authorizing body has the responsibility to oversee a public school academy's compliance with the contract and all applicable law. A contract issued under this part may be revoked by the authorizing body that issued the contract if the authorizing body determines that 1 or more of the following has occurred:

(a) Failure of the public school academy to abide by and meet the educational goals set forth in the contract.

(b) Failure of the public school academy to comply with all applicable law.

(c) Failure of the public school academy to meet generally accepted public sector accounting principles.

(d) The existence of 1 or more other grounds for revocation as specified in the contract.

(2) Except for a public school academy that is an alternative school serving a special student population, if the superintendent of public instruction determines that a public school academy that has been operating for at

least 4 years is among the lowest achieving 5% of all public schools in this state, as defined for the purposes of the federal incentive grant program created under sections 14005 and 14006 of title XIV of the American recovery and reinvestment act of 2009, Public Law 111-5, and is in year 2 of restructuring sanctions under the no child left behind act of 2001, Public Law 107-110, not to include the individualized education plan subgroup, the superintendent of public instruction shall notify the public school academy's authorizing body. If an authorizing body receives notice from the superintendent of public instruction under this subsection, the authorizing body shall revoke the public school academy's contract and the public school academy shall be closed, effective at the end of the current school year.

(3) Except for a contract issued by a school district pursuant to a vote by the school electors on a ballot question under section 503(2), the decision of an authorizing body to revoke a contract under this section is solely within the discretion of the authorizing body, is final, and is not subject to review by a court or any state agency.

(4) An authorizing body that revokes a contract under this section is not liable for that action to the public school academy, public school academy corporation, a pupil of the public school academy, the parent or guardian of a pupil of the public school academy, or any other person.

History: Add. 1993, Act 362, Imd. Eff. Jan. 14, 1994;—Am. 1995, Act 289, Eff. July 1, 1996;—Am. 2009, Act 205, Imd. Eff. Jan. 4, 2010.

Compiler's note: Former MCL 380.507, which pertained to personnel, was repealed by Act 362 of 1993, Imd. Eff. Jan. 14, 1994.

Popular name: Act 451

Popular name: Charter Schools

Popular name: Public School Academies

380.508, 380.509 Repealed. 1993, Act 362, Imd. Eff. Jan. 14, 1994.

Compiler's note: The repealed sections pertained to state school aid, other funding, payment to fiscal agent, counting in membership, oversight of operations, and revocation of charter.

Popular name: Act 451

Popular name: Charter Schools

Popular name: Public School Academies